Government of the District of Columbia



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"Federal and District of Columbia Government Real Property Act of 2005"

Resources Committee National Parks Subcommittee Congressman Steve Pearce, Chair

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1324 Longworth House Office Building United States House of Representatives 2 P.M.

Chairman Pearce, Ranking Member Christensen and other members of the committee, I would like to thank you for the opportunity to testify today on H.R. 3699, the Federal and District of Columbia Government Real Property Act of 2005. Your work on this legislation, along with many others in the Congress, especially Tom Davis and Eleanor Holmes Norton, provides us all with a tremendous opportunity to build a brighter and more vibrant future for the Anacostia Waterfront and the District of Columbia.

This legislation began in concept with a dialogue between the city and the White House last December and I would like to give a special thanks to the Office of Management and Budget, the National Park Service, and the General Services Administration for working closely with me throughout the development of this complex initiative. I would like to give special praise to the National Park Service, which worked as a partner and an ally throughout the process. Together I believe we took a significant step forward towards better stewardship of land in the District of Columbia. While I understand the subcommittee is particularly interested in parcels of land owned by the National Park Service, my testimony will focus on the impact of all the proposed transfers in the bill.

I am approaching the end of my seventh year as Mayor of the District of Columbia and I am very proud of what we have accomplished. The City of Washington is in impeccable financial standing, basic city services are greatly improved, our downtown is flush with development, and our neighborhoods are benefiting from safer streets, new housing, and more retail opportunities. This land bill, along with the new Anacostia Waterfront Corporation, is one piece of my unfinished business – namely to help revitalize a section of the city that lags behind

the rest in economic vitality and to secure our long-term financial health by expanding the city's tax base. I urge you to support this bill to complement numerous other partnerships to make Washington, DC a better place to live, work and visit.

It is my belief that this legislation will allow us to continue and fulfill the proud legacy of cooperation, planning, and inspiration inherent in this great capital city. Ever since the decision in the early 1790s to establish the capital at the confluence of the Potomac and Anacostia Rivers, the District has been a world-wide model of a planned city. And despite the evolution of the our city as a small federal enclave to the center of one of the nation's most dynamic regions over the past 200 years, many parcels within our borders remain underutilized and opportunities of greatness within our city have gone unrealized. HR 3699 is a step towards addressing the unfinished business of the District of Columbia in a way that will allow property to be used more efficiently and in service of the mutual interests of the federal government and the residents of the District of Columbia.

I believe that this legislation promotes economic development in the District that will make the Nation's capital more vibrant and prosperous. The Federal Government has a vested interest in being located in a healthy, vibrant city for the benefit of federal employees, local citizens, all Americans, and foreign visitors. Its unique relationship with the District of Columbia creates a joint responsibility to ensure the Nation's capital city is one of the great cities of the world.

I feel strongly about this legislation because of my passion for the future of the Anacostia River and what it represents for the future of the District of Columbia. The great legacy that this generation of District residents can leave for the next would be a District where our neighborhoods in the eastern part of the city benefit from the same quality of amenities, public space, and services as our neighborhoods in the west. The Anacostia Waterfront Initiative is a very important aspect of my plan to build this future Washington. Our plan was developed through years of dialogue with affected communities and enjoys broad support throughout the city.

H.R. 3699 will allow us to build world-class parks along the waterfront in southeast, build communities adjacent to the Anacostia River that reflect the desires of our residents, complement the grand plan of L'Enfant's vision for the District of Columbia, and jumpstart overall economic revitalization of communities on both sides of the river.

Specifically, H.R. 3699 would:

• Transfer ownership of two key parcels of land along the Anacostia River -- Reservation 13 and Poplar Point – in order to achieve the urban development and environmental restoration goals outlined in the Anacostia Waterfront Framework Plan. By transferring these parcels, the District will be able to significantly enhance access to the river and its parkland and become a destination attraction for tourists and residents, leading to economic stimulation and development.

 Transfer several small parcels of land in the vicinity of the Anacostia River. Many of these, such as Reservation 17A along New Jersey Avenue SE, are already under the District's Administrative Jurisdiction and will be components of ongoing neighborhood redevelopment actions.

Overall open space in the District will improve under the Federal and District of Columbia Government Real Property Act of 2005 by renovating existing parkland to create more accessible green space. For instance, conveyance of Poplar Point under HR 3699 will grant residents and visitors easy access to the site, which is currently hemmed in by roadways, making it practically inaccessible and suffers from environmental contamination.

For example, the District is completing environmental analysis in coordination with the National Park Service to remediate environmental damage at Poplar Point. This bill will give the District authority and responsibility to remediate the site and restore the ecological integrity of the site by daylighting a stream which flows through it (Stickfoot Creek). By leveraging reasonable and selective development on these parcels, the District will be able to generate the resources necessary to resolve the infrastructure and environmental challenges presented on several parcels.

This bill also makes great strides towards rationalizing land ownership in the District.

The District's two-century relationship with the federal government has resulted in a patchwork of ownership that does not yield anywhere near maximum benefits for each party. At its worst, this ownership structure stifles rational development, results in inefficient resources allocation

towards maintenance and upkeep, and contributes to a dearth of accountability for planning and maintenance.

In its recent report to Congress on the District's unique financial circumstances owing to its relationship with the federal government, the General Accountability Office concluded that D.C. faces a chronic structural imbalance for which the solution is outside the control of local officials. According to the GAO, the District of Columbia's structural imbalance is between \$470 million and \$1.1 billion per year. Conveying title to federal property to the District would not harm the federal government, since virtually all of it has no federal activity underway. For example, Reservation 13 hasn't been used by the federal government in 157 years, whereas if the city had title to the property, it could implement a plan to create vibrant, mixed income community that would help shore up the city's long-term financial outlook by adding businesses and residents to our tax base.

The economic benefits to the federal government are also prevalent. Transferring property will provide more contiguous park preservation. The National Park Service can eliminate the cost of maintaining or resolving environmental problems on remote or isolated parcels, some of which are surrounded by District property. The funds used to maintain or account for the NPS properties in this bill can be used to improve priority projects for the National Park Service.

HR 3699 provides a second economic benefit to the Federal Government by resolving millions of dollars of litigation claims brought by the District against the Federal Government.

These claims are the cause of a legal action against the United States for the failure to reimburse the District Government for costs associated with St. Elizabeths Hospital and are still being considered in the courts.

Conclusion

Lastly, I must mention that I believe that the path forward presented by H.R. 3699 presents the greatest possible outcome for District residents, as well as the federal government. I understand that this committee has considered alternative mechanisms for disposing the federal land within H.R. 3699. These proposals would thwart years of community planning and undermine the Anacostia Waterfront Initiative. The careful balance of commerce, residences, recreation spaces and public amenities that would benefit everyone would be jeopardized. At the same time, the long-term economic benefits for the District would be diminished. I humbly underscore that the Congress shares our interest in ensuring that this city is a national gem for all that live, work, and visit here. I would strongly endorse the bill that we are here to discuss today as the best approach to achieve this.

The Federal and District of Columbia Real Property Act provides the unique opportunity to improve District's fiscal health, streamline both federal and local land management operations, and significantly contribute to the long-term development of our Capital City as a vibrant and inclusive city which embraces the Anacostia River. I urge you to support this bill and help us fulfill this plan.